This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

LISTING STATEMENT No. 2208

LISTED JUNE 23, 1965
1,176,712 Common Shares of $5.00 par value, of which 152,500 are subject to issuance
Ticker abbreviation "BCM"
Dial ticker number 1749
Post section 10

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

BRITISH - AMERICAN CONSTRUCTION & MATERIALS LIMITED

Incorporated under the Laws of the Province of Manitoba by Letters Patent dated December 30th, 1960.

COMMON STOCK, PAR VALUE $5 (CANADIAN)

CAPITALIZATION AS AT FEBRUARY 28, 1965

SHARE CAPITAL	Authorized	Issued and Outstanding	To be listed
Common Shares of $5.00 par value	2,000,000	1,024,212	1,176,712*

* of which 152,500 shares are subject to issuance, upon exercise of Common Stock Purchase Warrants.

FUNDED DEBT AS AT FEBRUARY 28, 1965

	Authorized	Issued and Outstanding	To be listed
Debentures	$12,000,000 (U.S.)		
6% Sinking Fund Series due 1981	3,500,000 (U.S.)	$2,868,819 (Cdn)	Nil
6¼% Term Note due March 1, 1979	8,000,000 (U.S.)	4,318,750 (Cdn)	Nil
6% Installment Notes on Equipment— Purchase Contracts		617,600 (Cdn)	Nil
Other Notes and Mortgages		295,331 (Cdn)	Nil

May 25th, 1965.

1. APPLICATION

BRITISH-AMERICAN CONSTRUCTION & MATERIALS LIMITED (the "Company") hereby makes application to The Toronto Stock Exchange for the listing of:

1,024,212 issued and outstanding shares of its Common Stock, Par Value $5 (Canadian); and for authority to add to the list

152,500 additional shares of said Common Stock, upon official notice of issuance, upon exercise of outstanding Common Stock Purchase Warrants, of which 105,000 shares are reserved for issuance upon exercise of warrants expiring September 30, 1969 which were originally attached to the Company's 6% Sinking Fund Debentures, due 1981, and 47,500 shares are reserved for issuance upon exercise of warrants expiring September 30, 1966 which were issued to the Underwriter of the aforementioned Debentures and American counsel for the Company, as more fully described on pages 1 and 16 of the attached Prospectus; making the total amount applied for

1,176,712 shares of said Common Stock (of a total authorized issue of 2,000,000 shares).

All of said shares of Common Stock are, or when issued will be, fully paid and non-assessable, with no personal liability attaching to the holders thereof.

2. PROSPECTUS

There is attached hereto and incorporated herein by reference a copy of the Prospectus as revised, dated May 24th, 1965, issued under The Securities Act (U.S.) of 1933. The Prospectus originally was issued under date of September 20, 1961 and related to the public offering of (a) $3,500,000 (U.S.) Debentures 6% Sinking Fund Series due 1981 with detachable 8-Year Common Stock Purchase Warrants, and (b) 300,000 shares of Common Stock, $5 Par Value (Canadian) per share. All of said securities were sold and the Company received the net proceeds from the sale of the Debentures (with warrants attached) offered for its account, and of the Underwriter's Warrants sold to the Underwriter and American Counsel, and the selling stockholders received the net proceeds from the sale of the 300,000 shares of Common Stock sold for their account. The Prospectus has been revised by post-effective amendment filed with the Securities and Exchange Commission, which amendment became effective on May 24th, 1965, and relates to the proposed public offering of 47,500 Common Stock Purchase Warrants issued to the underwriter of the Company's 6% Sinking Fund Debentures due 1981 and to American Counsel for the Company and to the 152,500 shares of Common Stock of the Company reserved for issuance upon exercise of the aforesaid warrants (47,500 shares) and the warrants originally attached to the Company's Debentures (105,000 shares).

3. HISTORY

For information with respect to the history of the Company, reference is made to pages 7 and 8 of the attached Prospectus.

4. NATURE OF THE BUSINESS

For information with respect to the nature of the business conducted by the Company reference is made to pages 9, 10, 11 and 12 of the attached Prospectus.

5. INCORPORATION

The Company was incorporated under the name Continental Industries Limited under the laws of the Province of Manitoba by Letters Patent dated December 30th, 1960, with an authorized capital of 2,000,000 common shares having a par value of $5.00 each; by Supplementary Letters Patent dated July 12th, 1961, the name of the Company was changed from Continental Industries Limited to British-American Construction & Materials Limited. There has not been any other change in the Charter or Letters Patent of the Company, nor has there been any change in the capitalization of the Company.

6. SHARE ISSUES DURING PAST FOUR YEARS

Date of Issue	No. of Shares Issued	Amount Realized Per Share	Total Amount Realized	Purpose of Issue
July 18, 1961	1,000,000	$ 5.00	$5,000,000.00	acquisition of capital stock (1)
December 29, 1961	18,332	$15.00	$ 274,980.00	acquisition of capital stock (2)
February 28, 1962	5,880	$19.00	$ 111,720.00	acquisition of capital stock (3)

(1) (a) By agreement dated as of July 1st, 1961, between Daniel David Tallman and Erven Tallman as vendors and the Company as purchaser, the Company purchased the following shares and securities in consideration for the issue to the vendors by the Company of 200,000 fully paid and non-assessable Common Shares, par value of $5.00 (Canadian) of the Company:

5,000 fully paid and non-assessable shares of Tallman Construction Co. Ltd. being all the issued and outstanding shares of Tallman Construction Co. Ltd.

1,000 fully paid and non-assessable shares of Northwest Gravel Supply Co. Ltd. being all the issued and outstanding shares of Northwest Gravel Supply Co. Ltd. (together with its wholly owned Subsidiary, Tallman Gravel & Sand Supply Ltd.);

120 fully paid and non-assessable shares of Sun Cartage Ltd. being all the issued and outstanding shares of Sun Cartage Ltd.

6 fully paid and non-assessable shares of Contractor Equipment Rentals Co. Ltd. being all the issued and outstanding shares of Contractor Equipment Rentals Co. Ltd.

An assignment of the Shareholders' loan account in all the above mentioned Companies in the amount of $248,486.00.

(b) By agreement dated July 18, 1961, between Saul Simkin, Israel B. Simkin, James Simkin and Abraham Louis Simkin, as vendors, and the Company, as purchaser for the sale of the following shares and securities in consideration for the issue to the vendors by the Company of 773,000 fully paid and non-assessable Common Shares, par value $5.00 (Canadian) of the Company:

86 fully paid and non-assessable shares of Simkin's Construction Co. Ltd. being 86% of the issued and outstanding shares of Simkin's Construction Co. Ltd. (together with 50% of the issued and outstanding shares of Building Products & Coal Co. Ltd. owned by Simkin's Construction Co. Ltd.);
1,033 fully paid and non-assessable shares of British-American Land Development Co. Ltd. being all the issued and outstanding shares of British-American Land Development Co. Ltd. (together with its wholly-

owned Subsidiary Rathgar Investments Limited, and together with 14% of the issued and outstanding shares of Simkin's Construction Co. Ltd., and 50% of the issued and outstanding shares of Building Products & Coal Co. Ltd., all of which were owned by British-American Land Development Co. Ltd.);

(Note: Where reference is made to Building Products & Coal Co. Ltd. there is also included therein its wholly owned subsidiaries, W. S. C. Becher Ltd., Concrete Placers Limited and Bird's Hill Cartage Ltd.).

60 fully paid and non-assessable shares of The Arcadian Company of Canada Ltd. being 60% of the issued and outstanding shares of The Arcadian Company of Canada Ltd.

(c) By agreement dated July 18, 1961, between G. R. Investments Co. Ltd., Heritage Investments Ltd., Emerald Investments Ltd., Oakville Investments Ltd. and Lisbon Investments Ltd., all being Companies incorporated by Letters Patent under the provisions of The Companies Act, Manitoba, and owned wholly or in part by members of the Simkin family, as vendors, and the Company, as purchaser, for the sale of the following shares and securities in consideration for the issue to the vendors by the Company of 27,000 fully paid and non-asessable shares of the Company:

1,000 fully paid and non-assessable shares of Model Homes Ltd. being all the issued and outstanding shares of Model Homes Ltd.

(2) The Company purchased the following percentages of the following Companies from Benjamin Rosenblat; Arnice Rosenblat, wife of Benjamin Rosenblat; Edward Rosenblat; Lillian Rosenblat, wife of Edward Rosenblat; Norman Rosenblat; and Richard Rosenblat, all of Winnipeg, Canada:

Capital Coal Ltd.	100%
Harstone Coal Company Ltd.	100%
Jubilee Coal Co. Ltd.	100%
Moore's Coal And Supply Ltd.	100%
Simkin's Fuel Co. Ltd.	100%
Mutual Cartage Ltd.	*
Metro Subdivisions Ltd.	*
Crown Fuel (1961) Ltd.	100%

* 50% purchased from the above named persons; balance purchased from others for cash.

One-half of the purchase price due to the Rosenblats was paid in shares of Common Stock of British-American Construction & Materials Limited, $5.00 (Canadian) par value; the total number of shares being 18,332.

(3) The Company purchased all of the outstanding common stock of the following Companies:

Universal Construction Co. Ltd.
Universal Builders Supplies Ltd.
Universal Millwork Ltd.
Universal Construction (B.C.) Ltd.

from Michael A. Domecki and Irene M. Domecki, wife of Michael A. Domecki, both of Edmonton, Canada. As consideration for such purchase 5,880 shares of common stock $5.00 (Canadian) par value, were issued to the sellers of the Companies.

7. STOCK PROVISIONS AND VOTING POWERS

For information with respect to the provisions affecting the Common Stock, reference is made to pages 14 and 15 of the attached Prospectus. For information in respect of the share purchase warrants reference is made to pages 16 and 17 of the attached prospectus.

8. DIVIDEND RECORD

Dividends at the quarterly rate of approximately 22½¢ (U.S.) per share were paid on the publicly held stock for the four quarters ending August 31, 1962. Thereafter, the dividend was reduced to 12¢ (U.S.) per share per quarter, which amount has been paid quarterly to and including May 31, 1965.

Prior to October 1, 1961, certain stockholders who were also officers and directors of the Company, had waived dividends on their shares and shares held by members of their families. The restriction expired September 30, 1964, but has been renewed for four quarterly dividend payments during the year 1965, with respect to an aggregate of 664,313 shares.

The following tabulation sets forth a record of each of the quarterly dividends which have been paid since such payments were inaugurated in 1961. All dividend payments have been made in United States Funds.

Date Declared	Record Date	Payment Date	Amount Per Share (U.S. Funds)	Amount Aggregate (U.S. Funds)
11/ 4/61	11/15/61	11/29/61	22½¢	$ 68,716.52
1/16/62	2/15/62	2/27/62	22¢	67,432.64
4/10/62	5/15/62	5/29/62	23¢	70,497.76
7/31/62	8/15/62	8/31/62	22¢	67,432.64
10/29/62	11/15/62	11/29/62	12¢	37,021.56
1/24/63	2/15/63	2/27/63	12¢	37.105.56
4/11/63	5/15/63	5/21/63	12¢	37,105.56
7/29/63	8/15/63	8/31/63	12¢	37,105.56
10/25/63	11/15/63	11/30/63	12¢	37,105.56
1/21/64	2/14/64	2/29/64	12¢	37,105.56
5/ 8/64	5/15/64	5/26/64	12¢	37,105.56
8/ 7/64	8/17/64	8/28/64	12¢	37,105.56
11/12/64	11/16/64	11/30/64	12¢	122.905.44
2/16/65	2/17/65	2/28/65	12¢	43,151.88
4/30/65	5/14/65	5/31/65	12¢	43,187.88

9. RECORD OF PROPERTIES, PLANTS AND EQUIPMENT

For information with respect to properties, plants and equipment, reference is made to pages 13 and 14 of the attached Prospectus.

10. SUBSIDIARY COMPANIES

Attached hereto and marked Schedule "A" and incorporated herein by reference is a tabulated list of all subsidiary companies.

11. FUNDED DEBT

(a) DEBENTURES

In September, 1961, the Company registered and sold publicly an aggregate of $3,500,000 (U.S.) Debentures, 6% Sinking Fund Series, due 1981. The Debentures were issued under an Indenture (the "Indenture") and a First Supplemental Indenture (the "First Supplemental Indenture"), both dated as of August 1, 1961, and executed by the Company and The Bank of New York (the "American Trustee") and Montreal Trust Company (the "Canadian Trustee"), as Trustees. The Indenture provided for the issuance by the Company of one or more series of its general obligations herein and therein referred to as the "Debentures", and the First Supplemental Indenture provided for the issuance of the first series of Debentures entitled the 6% Sinking Fund Series due 1981 and referred to herein as the "Debenture due 1981".

The following are the particulars of the Debentures:

Description of Issue	Aggregate Amount Authorized	Principal Amount Outstanding	Maturity Date	Interest Dates
6% Sinking Fund Series due 1981	$12,000,000 (U.S.)	$2,868,819.01 (Cdn)	Aug. 1, 1981	Feb. 1 and Aug. 1

Reference is made to note (F) to the Consolidated Financial Statements filed herewith.

The Debentures, in the opinion of Counsel, are secured by:

(i) a First Floating Charge under the laws of the Province of Manitoba on the undertaking and all the property and assets of the Company now owned or hereafter acquired;

(ii) an unconditional guarantee by all of the Company's subsidiaries of the due and punctual payment of the principal, premium (if any) and interest of the Debentures;

(iii) a First Floating Charge under the laws of the Province of Manitoba on the undertaking and all the property and assets now owned or hereafter acquired of each of the subsidiaries of the Company.

(b) 6¼% NOTE DUE MARCH 1ST, 1979

As of January 31st, 1964, the Company entered into an agreement with Prudential Insurance Company of America for a loan of $8,000,000 (U.S.) bearing interest at 6¼% per annum and maturing March 1, 1979. The agreement was subsequently amended and $4,000,000 (U.S.) of the loan was repaid.

Description of Issue	Aggregate Amount Authorized	Principal Amount Outstanding	Maturity Date	Interest Dates
6¼% Note due March 1st, 1979	$8,000,000 (U.S.)	$4,318,750(Cdn)	Mar. 1, 1979	Mar. 1 and Sept. 1

Reference is made to note (F) to the Consolidated Financial Statements filed herewith.

The Note, in the opinion of Counsel, is secured by:

(i) a Second Floating Charge under the Laws of the Province of Manitoba on the undertaking and all of the property and assets of the Company now owned or hereafter acquired;

(ii) an unconditional guarantee by all of the Company's subsidiaries of the due and punctual payment of the principal, premium (if any) and interest on the debentures;

(iii) a Second Floating Charge under the Laws of the Province of Manitoba on the undertaking and all of the property and assets now owned or hereafter acquired by each of the subsidiaries of the Company;

(iv) Real Property Mortgages against certain properties of certain of its subsidiaries.

(c) 6% INSTALLMENT NOTES

Description of Issue	Aggregate Amount Authorized	Principal Amount Outstanding	Maturity Date	Interest Dates
6% Installment Notes on Equipment purchase contracts	No Limit	$617,600 (Cdn)	1966	1st day of each month

These obligations are secured by Conditional Sale Agreements in favour of the respective vendors.

(d) OTHER NOTES AND MORTGAGES

Description of Issue	Aggregate Amount Authorized	Principal Amount Outstanding	Maturity Date	Interest Dates
Other Notes and Mortgages	No Limit	$295,331 (Cdn)	April 1, 1973 to Dec. 1, 1979	April 1, June 1, Dec. 1

Interest rates vary from 5% to 7%.

These obligations are secured by promissory notes and real property mortgages of the company and certain of its subsidiaries.

12. OPTIONS, UNDERWRITINGS, ETC.

See paragraph 7 above for description of the reservation of 152,500 Common Shares.

There are no option agreements or underwriting agreements outstanding except that by clause 14 of purchase contract dated September 19th, 1961, between the Company and P. W. Brooks & Co. Incorporated. P. W. Brooks & Co. Incorporated for a period of seven years from September 19, 1961, has the first call upon the purchase or placement or distribution of any securities which may from time to time be offered for sale to the public by the Company or any subsidiary of the Company provided that this option does not entitle P. W. Brooks & Co. Incorporated to any purchase or distribution of such securities on a basis of price and terms less favourable to the Company than offered in good faith by others.

13. LISTING ON OTHER STOCK EXCHANGES

Application is pending before the American Stock Exchange for listing of the shares of common stock, par value $5.00 (Canadian) described above.

14. STATUS UNDER SECURITIES ACTS

Particulars of any filing, registration, approval or qualification with or by the Ontario Securities Commission or any corresponding governmental body or authority are as follows:

By registration No. 2-18473 as amended by amendment No. 2 which became effective on May 24th, 1965, the following securities were registered with the Securities and Exchange Commission, Washington, D.C.

Title of Class	Amount Registered
Debentures—6% Sinking Fund Debentures due 1981	$3,500,000 (U.S.)
Debenture Warrants	105,000 Warrants
Underwriters' Warrants	47,500 Warrants
Common Stock $5.00 Par Value (Cdn)	452,500 Shares

15. FISCAL YEAR

The fiscal year of the Company ends on the last day of February in each year.

16. ANNUAL MEETINGS

The By-Laws of the Company provide that the annual meeting of the Company shall be held at the head office of the Company or at such other place in Manitoba as the Board of Directors may determine from time to time. The last annual meeting of the shareholders of the Company was held on June 23rd, 1964.

17. HEAD AND OTHER OFFICES

The head office is located at 1500 Plessis Road, Winnipeg, 25, Manitoba, Canada. The Company has no other office. The subsidiaries have offices at their respective places of business.

18. TRANSFER AGENT

The Transfer Agent of the Company in Winnipeg and Toronto is:

Montreal Trust Company,
Ground Floor, Electric Railway Chambers,
213-9 Notre Dame Avenue,
Winnipeg 2, Manitoba.

Montreal Trust Company,
112 King Street West,
Toronto 1, Ontario.

The Transfer Agent of the Company in New York is:

The Bank of New York,
48 Wall Street,
New York 15, N.Y.
U.S.A.

19. TRANSFER FEE

No fee is charged on stock transfers other than the customary Government stock transfer taxes.

20. REGISTRAR

The Registrar of the Company in Winnipeg and Toronto is:

Montreal Trust Company,
Ground Floor, Electric Railway Chambers,
213-9 Notre Dame Avenue,
Winnipeg, Manitoba.

Montreal Trust Company,
112 King Street West,
Toronto 1, Ontario.

The Registrar of the Company in New York is:

The Bank of New York,
48 Wall Street,
New York 15, N.Y.,
U.S.A.

21. AUDITORS

The auditors of the Company are: Ernst & Ernst, Chartered Accountants, 385 St. Mary Avenue, Winnipeg 1, Manitoba.

22. OFFICERS

The Directors and executive Officers of the Company are as follows:

Name	Position
Saul Simkin	President, Chairman of the Board, Chief Executive Officer and Director
I. B. Simkin	Vice-President and Director
A. L. Simkin	Vice-President and Director
D. D. Tallman	Vice-President and Director
J. L. Bodie	Vice-President and Director
R. J. Turner	Treasurer, Assistant-Secretary and Director
W. M. Atkinson	Secretary and Assistant-Treasurer
C. L. Goldin	Director
R. J. Matas	Director
S. M. Beringer	Director
M. A. Domecki	Director
Edward Rosenblat	Director

Mr. Saul Simkin was founder of and has been the head of the Simkin enterprises since 1948. Mr. I. B. Simkin has been associated with such enterprises as an executive officer since founding.

Mr. A. L. Simkin has been a member of the Winnipeg Bar since 1946 and general counsel of the Company for more than ten years. He is a member of the firm of Messrs. Cantor, Matas, Simkin, Cantor and Goltsman.

Mr. D. D. Tallman was one of the principal executive officers of the Tallman enterprises for more than ten years prior to July, 1961, and has been Vice-President and Director of the Company since then.

Mr. J. L. Bodie has been associated with the Company since 1962. Prior to that time, he was General Manager for the Alberta division of a major fabricating company for more than five years.

Mr. R. J. Turner has been associated with the Company as an Officer since 1962. Prior to that time, he was associated with and an executive of a major fabricating company for more than five years.

Mr. W. M. Atkinson has been an Officer of the Company since 1958.

Mr. C. L. Goldin was one of the principal executive Officers of the Tallman enterprises for more than 10 years prior to July, 1961, and has been the President of Tallman Gravel and Sand Supply Ltd. since December, 1963.

Mr. R. J. Matas has been a member of the Winnipeg Bar since 1946. He is a member of the firm of Messrs. Cantor, Matas, Simkin, Cantor & Goltsman.

Mr. S. M. Beringer is a member of the firm of P. W. Brooks & Co. Incorporated, Underwriters, New York, N.Y.

Mr. M. A. Domecki has been the President and Manager of construction and supply companies in Alberta, and has been a Director of the Company since 1963.

Mr. Edward Rosenblat has been Manager of a building supply company and fuel companies in Winnipeg and has been a Director of the Company since 1962.

23. Reference is made to the attached Prospectus pages 5 and 6 for a detailed statement of income and expenditure for each of the preceding five years.

CERTIFICATE

Pursuant to a resolution duly passed by its Board of Directors, British-American Construction & Materials Limited hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

BRITISH-AMERICAN CONSTRUCTION & MATERIALS LIMITED

Corporate Seal

Per "A. L. SIMKIN",
Vice-President

Per "W. M. ATKINSON",
Secretary

PROSPECTUS

British-American Construction & Materials Limited

(a Manitoba Corporation)

47,500 Common Stock Purchase Warrants

152,500 Shares of Common Stock ($5 Par Value)

(issuable upon exercise of all outstanding warrants)

The exercise price of the abovementioned 47,500 Warrants (referred to herein as the "Underwriter's Warrants") is $18 (U.S.) per share until expiration thereof on September 30, 1966. The remainder of the 152,500 shares referred to above is issuable upon exercise of Warrants (the "Debenture Warrants") originally attached to the Company's 6% Sinking Fund Debentures due 1981, publicly offered in 1961. Such Debenture Warrants are exercisable at $15 (U.S.) per share until September 30, 1965, and thereafter at $17.50 (U.S.) per share until expiration on September 30, 1969. On May 18, 1965, the Common Stock of the Company was quoted at 7 bid, 7⅜ asked; and the Debenture Warrants were quoted at 1 bid, 1⅜ asked. There was no market for the Underwriter's Warrants. The Underwriter's Warrants will be publicly offered by the holders thereof (reference is made to "Selling Warrant Holders" herein for the identity of such Warrant Holders) at a price not exceeding $2 (U.S.) per Warrant-share. Such Warrants were originally issued at a nominal price of 1¢ per Warrant-share. Any profit to the sellers may be deemed an underwriting commission except in the case of legal counsel named herein, whose profit would be a legal fee.

All of the above described Warrants, and the shares issuable upon exercise thereof, were registered under the Securities Act of 1933 at the time of the public offering referred to above (Registration No. 2-18473). The Company will receive none of the proceeds of the now proposed public offering of the Underwriter's Warrants; but will receive the exercise price of any of the abovedescribed Warrants which may be exercised.

Except as otherwise indicated, all dollar figures used herein are expressed in Canadian dollars. On April 30, 1965, the rate of exchange for United States and Canadian currency was approximately $1.00 (Canadian)=$.92½ (U.S.).

The date of this Prospectus is May 24, 1965.

The Company is a Manitoba corporation and its officers and certain directors and experts referred to herein are residents of Canada. It may be difficult for investors to effect service on the Company or such directors, officers and experts within the United States or to realize in the United States upon judgments of courts of the United States predicated upon civil liabilities under the Securities Act of 1933, as amended. The Company has been advised by its general counsel, Messrs. Cantor, Matas, Simkin, Cantor & Goltsman, that there is substantial doubt whether Canadian courts will enforce civil liabilities arising under the Securities Act of 1933.

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THE COMPANY

British-American Construction & Materials Limited (the "Company") is a widely diversified and well integrated enterprise in the construction industry in Western Canada, engaged principally in heavy construction (62%), manufacture and distribution of building supplies (30%) and the sale of improved land (6%). (For variations in such percentages in past years, see table under "Business".) The Company owns and operates its own sand and gravel pits and limestone quarries, and manufactures ready-mix concrete, concrete sewer pipe, concrete block, pre-cast and pre-stressed beams, piles and other building members, mortar, stucco and other lime products.

The Company's construction activities consist of (a) heavy construction (principally highways, airports, and earth moving); (b) municipal construction (principally pavements, pumping stations, sewer installations and water mains); and (c) improvements to raw acreage purchased by the Company for subsequent sale to builders after installation of streets, sidewalks, sewers, water lines and other utilities. The Company has recently expanded its construction activities to include the building of commercial structures, but such construction has not yet accounted for a major part of total sales. In its operations, the Company consumes a substantial portion of the output of its pits and quarries (approximately 81% in fiscal year 1964) and of its ready-mix concrete operations (approximately 31% in fiscal year 1964).

The Company believes that it is the largest construction company in Manitoba engaged in the combined fields of concrete and asphalt paving and the installation of sewer and water lines, and that in its other construction activities it ranks among the more important heavy construction companies operating in Western Canada. The Company further believes that it is one of the largest developers of residential land and one of the largest producers and suppliers of ready-mix concrete, concrete sewer pipe, pre-cast and pre-stressed concrete building members, sand, gravel and aggregates in its principal market area, Metropolitan Winnipeg, the capital of Manitoba and Canada's fourth largest city. Although the Province of Manitoba is the Company's principal operating area, its activities extend from Ontario to British Columbia. As a result of the Company's recent expansion into Alberta, approximately 15% of the Company's sales were made in that province. The Company is also completing an airport construction project in Ceylon.

The Company's two principal predecessor companies in the construction field were founded in 1948 and 1920 and the principal predecessor company in the building supply business was founded in 1911 (see "History and Business"). Reference in this Prospectus to the Company includes all predecessor companies and subsidiaries unless the context otherwise requires.

DIVIDENDS

Dividends at the quarterly rate of approximately 22½¢ (U.S.) per share were paid on the publicly held stock for the four quarters ending August 31, 1962. Thereafter, the dividend was reduced to 12¢ (U.S.) per share per quarter, which amount has been paid quarterly to and including May 31,

1965. No representation is made or intended as to future dividend policy or payments. The amount, if any, of future dividends, will necessarily depend upon future business conditions, availability of earnings, the operations and financial condition of the Company, and other factors (see "Description of Debentures" and Note E of "Notes to Financial Statements" herein for certain restrictions on the payment of dividends).

Prior to October 1, 1961, certain stockholders, who were also officers and directors of the Company, waived dividends on their shares and shares held by members of their families. The restriction expired September 30, 1964, but has been renewed for four quarterly dividend payments during the year 1965, with respect to an aggregate of 664,313 shares.

STATEMENT OF CONSOLIDATED INCOME

(Canadian Dollars)

The following statement of consolidated income for the four years ended February 28, 1965, has been examined by Ernst & Ernst, independent chartered accountants, whose report thereon appears elsewhere in this Prospectus. The statement of income for 1961 (see (1) below) is not reported on by independent accountants but, in the opinion of management, all adjustments necessary for a fair presentation of the results of operations for that year have been included. Operations of companies acquired during the period have been included herein from the respective dates of acquisition (see (4) below). The statements should be read in conjunction with the other financial statements, the notes and accountants' report with respect thereto, appearing elsewhere herein.

	Year ended February 28 or 29				
	1961 (Not reported on)	1962	1963	1964	1965
Revenues:					
Net sales	$16,993,302	$18,207,794	$20,127,136	$26,054,515	$32,073,796
Income (loss) from joint ventures	306,590	151,852	58,614	(79,658)	76,578
Other	255,124	239,526	143,285	185,358	604,468
	17,555,016	18,599,172	20,329,035	26,160,215	32,754,842
Costs and expenses:					
Cost of sales excluding depletion and depreciation set forth below	9,046,973	13,375,287	16,900,249	20,933,768	27,722,555
Selling, administrative, and general	3,956,201	1,181,721	1,605,198	1,693,187	1,765,301
Depletion and depreciation	763,226	943,981	1,144,947	1,163,657	1,377,016
Interest	287,806	291,666	481,462	573,629	680,514
Amortization of discount and expense on long-term debt	—	—	19,041	17,237	16,213
Other	99,009	32,177	587	31,658	—
	14,153,215	15,824,832	20,151,484	24,413,136	31,561,599
INCOME BEFORE INCOME TAXES	3,401,801	2,774,340	177,551	1,747,079	1,193,243
Provision for income taxes:					
Currently payable (recoverable)	1,694,056	974,153	(242,043)	317,742	408,855
Deferred	60,702	131,849	357,690	586,653	203,782
	1,754,758	1,106,002	115,647	904,395	612,637
NET INCOME	1,647,043	1,668,338	61,904	842,684	580,606
Special gain:					
Gain on disposition of the property and assets belonging to or used in connection with a cement plant under construction, less sundry nonrecurring charges—Note E					2,477,416
NET INCOME AND SPECIAL GAIN	$ 1,647,043	$ 1,668,338	$ 61,904	$ 842,684	$ 3,058,022
Net income and special gain per share, based on the number of shares outstanding at the end of each period, was as follows:					
Net income	$1.65	$1.63	$ .06	$ .82	$ .56
Special gain					2.42
Cash dividends paid per share (on shares other than shares owned by certain stockholders who waived their rights to dividends until September 30, 1964 and with respect to four quarterly dividends during the year 1965)	(2)	$ .45 U.S.	$ .69 U.S.	$ .48 U.S.	$ .48 U.S.

See notes on following page.

STATEMENT OF CONSOLIDATED INCOME—(Continued)

(1) In 1961, the Company became the parent company of various associated entities in a transaction accounted for as a pooling of interests effective February 28, 1961. Prior to 1962, these associated entities had differing fiscal years, and the statement of income for 1961 has been prepared by combining the statements of income of the individual entities which ended closest to February 28, 1961, except that the statements of income of four companies whose fiscal years ended March 31 or April 30 are included therein for the eleven or ten months ended February 28, 1961.

(2) For 1961, it is not practical to state amounts per share for distributions of earnings because such distributions were principally in connection with the incorporation and reorganization of certain of the entities.

(3) Net sales in the statement of consolidated income include billings of work done by sub-contractors, on which the normal gross profit was not realized, in the following amounts: year ended February 28, 1963—$2,893,472; year ended February 29, 1964—$2,183,508; year ended February 28, 1965—$6,794,524.

(4) Operations of companies acquired during the period have been included in the statement of consolidated income from the respective dates of acquisition, as follows: Building Products & Coal Co. Ltd. and subsidiaries—acquired January 1, 1960; and Universal Construction Co. Ltd. and associated companies, Union Fuel Division and associated fuel companies, Mutual Cartage Ltd., Metro Subdivisions Ltd., and Western Concrete Products Ltd., which were acquired during the year ended February 28, 1962.

Reduction in Net Income for the year ended February 28, 1965, as compared with the year ended February 28, 1964, resulted principally from unforeseen conditions and increased costs on two major construction projects. In one case, the Company encountered extraordinary weather and subterranean soil conditions leading to greatly increased excavation costs; and in the second case, unforeseen costs had not been adequately provided for in the bid, made two years previously, on a new sewage treatment structure. Appropriate steps have been taken for the purpose of preventing the recurrence of such costs in similar projects in the future, but no representation is made or intended that other unforeseen costs will not be encountered from time to time in various projects.

CAPITALIZATION

The consolidated capitalization of the Company as of February 28, 1965 was as follows:

Class of Security	Amount Authorized	Amount Outstanding
Current Bank Loans, 5¾%(1)		$4,520,510(Cdn.)
Mortgages on Land held for Development and Sale, Due 1971-1977, Int. 4¼-7%		508,053(Cdn.)
Equipment Purchase Contracts, Due 3 years, 6%(2)		617,600(Cdn.)
Obligation to Individual, Due 1970, 5%		136,401(Cdn.)
Real Estate Mortgages, Due 1973-1979, 6% to 7%(2)		158,930(Cdn.)
6¼% Term Note due Mar. 1, 1979(2)	$ 8,000,000	4,000,000(U.S.)
Debentures	12,000,000	
6% Sinking Fund Series due 1981	3,500,000(U.S.)	2,785,000(U.S.)
Common Stock ($5 Par Value)	2,000,000 shs.(3)	1,024,212 shs.
Common Stock Purchase Warrants attached to Debentures	105,000 wt-shs.	105,000 wt-shs.
Underwriter's Warrants	47,500 wt-shs.	47,500 wt-shs.

(1) To finance work in progress, accounts receivable and inventories, the Company normally incurs current bank indebtedness in the form of promissory notes and overdrafts, which are similar to customary bank credit lines. The Company will continue to incur such indebtedness from time to time in accordance with its working capital needs.

(2) See Notes B and E to Financial Statements.

(3) Includes (i) 105,000 shares initially reserved for issuance upon exercise of the Debenture Warrants and (ii) 47,500 shares initially reserved for issuance upon exercise of the Underwriter's Warrants. See "Description of Warrants."

Common Stock Underlying Warrants

The shares of Common Stock issuable upon exercise of all the Warrants described herein equal 14.89% of the shares now outstanding and would represent 12.96% of the outstanding shares if all such Warrants were exercised. If such Warrants were exercised, a dilution of earnings per share of Common Stock would result. See "Description of Warrants."

HISTORY AND BUSINESS

The Company is a Manitoba corporation organized December 30, 1960 to combine Simkin's Construction Co. Ltd. and Tallman Construction Co. Ltd., together with their respective subsidiaries and affiliates, previously operated independently by the Simkin and Tallman families, respectively.

Simkin's Construction Co. Ltd. was incorporated in 1948 as a general construction contractor. In 1950, it entered the field of highway construction and earth moving. In 1951, it commenced gravel crushing, and in 1956, granite and ballast crushing operations for the Canadian Pacific Railway, an operation which continued until 1963. The Company continued to expand into heavy construction work and in 1954 commenced the construction of municipal facilities in Greater Winnipeg. Shortly thereafter, it commenced development and improvement of raw land for home sites. As of January 1, 1960, it acquired its building supplies subsidiary, Building Products & Coal Co. Ltd. This Company, which had been founded in 1911, was an important building supplies concern in the Winnipeg area, having pioneered the sale in that area of ready-mix concrete and other concrete products.

In July, 1961, the Simkin enterprises were combined with the Tallman enterprises, in the Company. The Tallman Construction Co. Ltd., one of the principal companies in the group and the successor to a business commenced in 1920, had, by stages, become engaged in heavy construction, earth moving, sewer and water installations, land improvement, and sand and gravel supply operations. In 1951, the Tallman enterprises entered the airport construction field, as well as asphalt and concrete paving, and in 1955, the ready-mix concrete supply business.

In 1962, the Company acquired the largest producer of ready-mix concrete in the City of Brandon, Manitoba; and an enterprise which was engaged in land development and the sale of fuel oil and coal, as well as of building materials, in the Metropolitan Winnipeg area. As of November 2, 1964, the Company sold such fuel oil business. The Company also acquired in 1962 an enterprise in Edmonton, Alberta, engaged in building construction and sale of lumber and building material and supplies.

The Company has recently expanded its Alberta business in the building of commercial structures; and has also commenced active development of land in the Calgary area. In 1964, the Company extended its Alberta operations by opening a ready-mix and building supply subsidiary in Fort McMurray, a newly developed town site approximately 300 miles north of Edmonton, Alberta, where the provincial government has recently licensed a program to process Athabasca tar sands. The Company has acquired a 50% interest in a land development company in Fort McMurray, and anticipates an active program of residential and commercial construction. As a result of the Company's program in the Province of Alberta, its construction and supply sales in that province have increased to an amount equal to approximately one-sixth of its total sales.

During the fiscal year ended February 28, 1964, the Company undertook to build a new cement plant in Winnipeg after study and development extending over a period of two years. Financing for the construction in the amount of $8,000,000 (U.S.) was provided by a term loan from a major insurance company. The new plant was to be capable of producing 1.5 million barrels of cement annually and was to cost approximately $8.5 million. After financing was arranged and the plant was partially built, the Company sold the plant to a leading cement manufacturer, and agreed to lend the manufacturer $1,500,000, due in eight equal annual installments commencing July 16, 1965. Following the sale, the Company made repayment of half of the abovementioned insurance company term loan. See Note E of Notes to Financial Statements, herein. The Company has agreed to purchase from the cement manufacturer for a period of ten years, at competitive prices and terms, substantially all cement used in the Province of Manitoba and a portion of its cement requirements elsewhere.

Business

The Company's combined gross revenues during the past ten fiscal years were divided as follows (thousands omitted):

Years Ended February 28 or 29	Construction		Building Supplies		Improved Land		Miscellaneous(1)	
	Dollar Amount	Percentage of Net Sales	Dollar Amount	Percentage of Net Sales	Dollar Amount	Percentage of Net Sales	Dollar Amount	Percentage of Net Sales
1956	$ 2,651	60%	$ 633	14%	$1,035	23%	$ 152	3%
1957	3,428	57	1,337	22	1,176	20	91	1
1958	4,289	61	1,488	21	245	3	1,010	15
1959	4,034	48	1,854	22	1,966	23	618	7
1960	4,394	41	1,926	18	3,498	32	981	9
1961	8,271	47	5,778(2)	33(2)	2,888	17	618	3
1962	8,090	44	5,729	31	3,027	17	1,362	8
1963	11,179	56	6,923	34	764	4	1,261	6
1964	15,152	58	8,555	33	1,242	5	1,106	4
1965	19,678	62	9,701	30	2,000	6	695	2

(1) Includes principally income from fuel, oil, coal and equipment rentals.

(2) Includes approximately $3,400,000 of revenues atttributable to its principal subsidiary in this field which was acquired as of January 1, 1960. See Note A to the financial statements.

Profit margins derived from the various segments of the Company's diversified operations differ and may fluctuate from year to year and the ratio of net income to gross revenues of each category shown in the above table will vary accordingly.

Area Served

The Company's headquarters and principal manufacturing facilities are in Winnipeg, Manitoba, Canada. The major part of the Company's construction activities are conducted in Manitoba, but the Company has built or participated in substantial construction projects from western Ontario to the Pacific Coast, as well as abroad. The Company's sales of building supplies and its land development activities have heretofore been principally in Metropolitan Winnipeg. Since 1962, however, when it acquired its Alberta subsidiary, the Company has gradually expanded its activities west of Manitoba, until today that area accounts for about one-sixth of total sales.

Metropolitan Winnipeg is the fourth largest city in Canada, with a total population approximating 500,000. It is located approximately 65 miles north of the Minnesota border and is in the center of Canada. The city is an important manufacturing, financial, transportation and trading center, with manufacturing its principal activity. In recent years its growth in manufacturing and construction, as well as in population, has equalled national averages. Calgary and Edmonton, where the Company's Alberta operations are concentrated, are the largest cities in that province.

Construction

The Company's construction business may be divided into the following major categories: highway construction; airport, and other heavy construction; construction of concrete and asphalt pavements, pumping stations, sewer installations and water mains; construction of bridges and engineered structures; earth removal; and, recently, construction of hotels and commercial buildings. The bulk of the Company's work is done for federal, provincial and municipal authorities, with a lesser amount done for industrial concerns and for the Company's own land development program.

The Company is engaged in a number of major projects in its operating area. It has built substantial segments of the Trans-Canada Highway in Manitoba and Ontario, and has done other major road work. It is now one of the major earth moving contractors on the Winnipeg Floodway project which will involve, ultimately, the removal of approximately 100,000,000 cubic yards of earth. The Company has received three contracts totalling approximately 20% of the earth moving portion of the project awarded to date. The Company is also building bridge crossings and is supplying certain pre-cast members and piling for this project.

Further, the Company has recently completed, or is currently completing, a $6 million sewage treatment plant; water and sewage installations in Manitoba and Ontario aggregating an additional $2 million; and airport projects in Manitoba and Ontario aggregating approximately $1.3 million; as well as portions of the Trans-Canada Highway and various tunnel sewer projects in Metropolitan Winnipeg. It is also completing the construction for the Canadian government (under the "Colombo Plan") of the runway extensions at the airport in Colombo, Ceylon, totalling $2.8 million.

The Company's work continues to include projects for rock removal and crushing, grading and excavating. Recently, it has completed a $2,500,000 hotel, and is actively bidding for other commercial structures.

The Company's construction work is normally done with its own personnel and equipment. In the past two years it has increased the percentage of its work involving subcontracts; such projects, in the year ended February 28, 1965, accounted for 25% of the Company's construction activities.

The Company obtains its construction contracts largely through competitive bidding; and, on occasion, carries on its work jointly with other construction companies, including some of the major construction companies on the North American continent. As of February 28, 1965, the Company's construction backlog was estimated at approximately $11,900,000, most of which is scheduled for completion in 1965. Construction backlog as of February 28, 1964 was estimated at approximately $12,500,000.

The great majority of the Company's contracts are of the lump sum or unit price types, under which the contractor agrees to do the work for a fixed lump sum or for fixed unit prices. A minor portion is done under cost-plus-fixed-fee contracts, which provide for a percentage or flat fee to the contractor over the actual cost of construction. The lump sum and unit price type contracts place greater risks on the contractor, but offer opportunities under favorable circumstances for greater profits. The Company can, of course, control the amount of each kind of contract it performs only to the extent that the various types of contracts are available.

Building Supplies

The Company's building supplies sales consist principally of (i) ready-mix concrete; (ii) stone, gravel, sand and aggregates, which it produces from its pits and quarries; and (iii) manufactured concrete products, including pre-cast and pre-stressed beams, piles, girders and other structural members, concrete sewer pipe ranging from 6" to 108" in diameter, and concrete blocks, all manufactured in its own plant. The Company purchases cement from other producers; it also manufactures lime and lime products, mortar, limestone and stucco and (in Alberta) mill products, and sells at wholesale and retail a line of building supplies which it purchases from others.

Land Development

Since 1954, the Company has engaged in land development activities as an adjunct to its construction business. It uses its equipment for development of its own land and in general coordinates its land development activities with its other construction work in order to obtain the maximum use of its equipment. Land development also creates a market for its building supplies in the construction of the streets, sewers, sidewalks and other utilities installed in the improvement of the raw land and to a lesser extent in the construction of homes and other buildings to be erected on the lots purchased from the Company. Intracompany sales do not result in any direct profit to the Company until the developed land is sold.

The Company assembles large tracts of unimproved land in areas of anticipated growth from municipal corporations or private owners. In most instances raw land is acquired through a separate subsidiary formed for the purpose. In case of acquisition from private owners, the contracts require a down payment which may be from 10% to 50% of the purchase price; the balance is generally payable in installments over terms of three to fifteen years. A purchase money mortgage (with interest rates usually running from 5% to 7%) on the property is given to secure the balance of the purchase price, but land may be released from the mortgage as development progresses upon payment of stated amounts per acre of land so released. Such mortgage indebtedness of the subsidiary is not usually guaranteed by the Company. Contracts with municipal corporations generally provide for the installation of municipal utilities and payment for the land in exchange for title.

Upon assembling an appropriate tract of land, the Company enters into a development program with the municipality where the land is located whereby the Company develops such land at its own expense by installing storm and sanitary sewers, water mains, paved streets and sidewalks, approaches, etc. Thereafter the utilities are dedicated to the municipality which maintains them. If, at the time such developed land is ready for sale, market conditions have changed to the extent that it would not be feasible or practicable to sell such improved land, the Company would be required to carry its investment in the land and improvements thereto pending satisfactory market conditions. To date the Company has been able to market its land in accordance with the Company's development program.

The improved land is sold to builders, usually with a down payment of 5% to 20%. The balance is secured either by a short term mortgage or by an irrevocable payment order, either of which is discharged from the proceeds of a long-term mortgage obtained by the builder or owner. Generally the areas developed by the Company qualify for insured mortgages under the National Housing Act of Canada.

In 1962, the Company expanded its land development activities, which were originally concentrated in Metropolitan Winnipeg, by acquiring acreage for development in Calgary and Fort McMurray, Alberta. As of February 28, 1965, the Company had approximately 3,200 acres in inventory, of which approximately 1,150 acres were in the Calgary area. The Company contemplates the improvement and sale of all such land in due course. During the period since 1961, the Company has sold approximately 2,000 lots, aggregating 500 acres.

Competition

The Company's business is highly competitive in all of its phases. The Company believes that it is the largest construction company in Manitoba engaged in the fields of concrete and asphalt pavement and sewer and water installations and that in its other construction activities it ranks among the more important heavy construction companies operating in Western Canada. There are a number of companies larger than the Company, as well as many smaller ones, which compete with the Company on a competitive bid basis. The Company, however, combines, on occasion, with major Canadian and United States construction companies in bidding on major jobs larger than its resources would justify. Bids are necessarily prepared by estimating costs to be incurred in the future, and if errors are made in such estimates or unforeseeable difficulties arise for which no contract provision is made, the cost estimates may prove insufficient and losses may be sustained.

The Company believes that it is one of the largest suppliers of ready-mixed concrete, concrete sewer pipe, pre-cast and pre-stressed building members, sand, gravel, and aggregates in its principal market area, Metropolitan Winnipeg. The proximity of its pits and quarries to its market area is a favorable competitive factor.

In its land development activities, the Company has keen competition but its integrated activities enable it to compete on advantageous terms in most situations. The Company believes that for several years it has been the largest developer of residential land in Greater Winnipeg. Of course, no assurance can be given as to the rate of residential development in this area in future years or as to the Company's participation in such development.

The Company has increased its activities in the Province of Alberta, particularly since the acquisition of its Alberta subsidiary, and further expansion is contemplated in that province. However, the Company is not yet a major factor in the construction or supply business in Alberta. Its land development business in that area has thus far been concentrated in Calgary and Fort McMurray where its holdings of acreage make it an important developer.

Labor

The Company's labor force varies from 500 during the winter months when construction is necessarily at a minimum to 2,000 during the height of the construction season, generally from the end of April to December, depending on weather factors. The Company has a union contract expiring October 31, 1966, covering a part of its employees other than supervisory and clerical. The Company has sustained no strikes or work stoppages in the past thirteen years.

PLANTS, PROPERTY AND EQUIPMENT

Plants

The Company presently owns and occupies yard premises in eleven locations, of which five are located throughout Winnipeg, four are in other towns in Manitoba, and two are located in Alberta. These yard facilities occupy approximately 175 acres of land and contain the following facilities: twelve concrete batch plants with a combined capacity of 1,000 yards per hour; a concrete block plant; a recently completed plant for the manufacture of pre-cast and pre-stressed concrete members; a plant for the manufacture of concrete pipe; two plants for the preparation of lime products; and a millwork operation (in Edmonton).

The principal executive offices, a combined equipment repair depot and yard accommodations for the Manitoba construction division have been recently completed at one of the Winnipeg locations. The executive offices and repair depot, the pre-cast concrete plant, and several other production facilities have been installed within the past three years.

The buildings are all in good condition and well suited to the Company's needs. All principal facilities are owned; but two offices and part of one yard are rented at an aggregate rental of approximately $6,500 per annum.

Pits and Quarries

In Manitoba, the Company produces all of its own aggregates, consisting of washed sand, classified aggregates for ready-mixed concrete, specified base coarse material for highway construction, gravel and pit run material for general construction purposes, classified sand for the manufacture of concrete blocks, sewer pipe and pre-cast and pre-stressed products, caustic lime for all lime products and aggregates for asphalt pavement. These materials are produced from reserves which are owned or leased on a long term basis by the Company. The Company is now actively producing its aggregates from nine pits and quarries, four of which are located from six to twelve miles of Winnipeg, which contain gravel and other materials sufficient for the Company's anticipated requirements for over 50 years based on present production. The location of such pits results in favorable delivery costs. The Company's stone quarry is on a rail siding about 40 miles from Winnipeg, and its lime quarry is about 60 miles from the city. With respect to the great bulk of the Company's pit and quarry production, no royalty is payable except for a tax of 2¢ per cubic yard levied by the Manitoba government on all sand, gravel and similar minerals extracted. Royalties at prevailing rates of 15¢ per cubic yard are paid on a portion of the pit production, and 2.8¢ per ton on a portion of the quarry production.

Equipment

The Company owns and operates a wide variety of heavy construction equipment and machinery. It has approximately 700 medium and large units used in heavy construction, including tractors, dozers, loaders, draglines, shovels of various sizes, scrapers, rollers, and mobile crushing and screening units, as well as a large number of smaller pieces of construction and maintenance equipment. In addition, the Company has two portable concrete plants, concrete paving equipment and mobile asphalt paving units, rock drilling and blasting equipment and heavy "rock wagons" for rock processing. It owns a fleet of 450 heavy and light weight trucks and approximately 100 ready-mix concrete mixers. At the height of the construction season, it often rents additional equipment. It also owns and uses modern, fully-equipped mobile trailers to house 350 men at remote construction projects.

The Company's garage and maintenance facilities are used to repair equipment during the height of the construction season and to rebuild and overhaul equipment during the offseason.

DESCRIPTION OF DEBENTURES

In September 1961, the Company registered and sold publicly an aggregate of $3,500,000 (U.S.) Debentures, 6% Sinking Fund Series, due 1981. The Debentures were issued under an Indenture and a First Supplemental Indenture, both dated as of August 1, 1961, and executed by the Company and The Bank of New York (as American Trustee) and Montreal Trust Company (as Canadian Trustee), as Trustees. The Indenture provided for the issuance by the Company of one or more series of its general obligations and the First Supplemental Indenture provided for the issuance of the first series of Debentures entitled the 6% Sinking Fund Series due 1981. Reference is hereby made to copies of the above-described Indenture and First Supplemental Indenture filed as exhibits to the Registration Statement.

DESCRIPTION OF 6¼% NOTE DUE 1979

As of Jauary 31, 1964, the Company entered into an Agreement with Prudential Insurance Company of America for a loan of $8,000,000 (U.S.), bearing interest at 6¼% per annum and maturing March 1, 1979. The agreement was subsequently amended and $4,000,000 of the loan was prepaid. Reference is made to Notes B and E of "Notes to Financial Statements," herein, for certain descriptive data concerning such Note and dividend restrictions imposed thereby. The data in this Prospectus with respect to such Note do not purport to be complete; and reference is hereby made to provisions of the Note Agreement, as amended, filed as an Exhibit to the Registration Statement and incorporated herein by reference, for other and more definitive and complete information concerning such Note.

DESCRIPTION OF COMMON STOCK

The following are brief summaries of certain provisions affecting the Common Stock contained in the Company's Charter and By-Laws, filed as exhibits to the Registration Statement. Such summaries do not purport to be complete and reference is made to the exhibits for a full statement of such provisions.

The Company has an authorized capital consisting of 2,000,000 shares of Common Stock with a par value of $5.00 per share, of which 1,024,212 shares are outstanding. 152,500 shares are reserved for the exercise of warrants described below.

Dividend Rights and Restrictions on Dividends, Repurchases and Redemptions

All shares validly issued will be entitled pro rata to all dividends when and as declared.

The Company agrees in the Indenture referred to above not to make or pay any dividend or distribution (other than stock dividends) on its capital stock or redeem or purchase any shares thereof (except for the proceeds of substantially concurrent sales of stock) if, after such payment shall have been made, the aggregate of all sums so expended since February 28, 1961, would exceed 75% of the Consolidated Net Income of the Company after Taxes earned since that date. The payment of dividends may be

further restricted by the restriction on working capital outlined below. As of February 28, 1965, approximately $1,550,000 of retained earnings would have been free of Indenture restrictions on the payment of dividends.

The payment of dividends may be further restricted by the 6¼% Note referred to above. As of February 28, 1965, approximately $259,000 of retained earnings were free of such restrictions on the payment of dividends. (See Note E of "Notes to Financial Statements".)

Restrictions on Working Capital

The Company agrees in its Indenture referred to herein not to permit its Consolidated Net Current Assets to fall below $750,000. As of February 28, 1965, the Company's Consolidated Net Current Assets exceeded such initial minimum requirement by approximately $8,018,000. (See Note E of "Notes to Financial Statements".)

Voting Rights; Non-Cumulative

All voting rights of the Company are presently vested in the holders of the Common Stock and each share is entitled to one vote. Voting rights of the Common Stock are non-cumulative, which means that the holders of more than 50% of the outstanding shares voting at any election of directors will be able to elect all directors if they choose to do so, and in such event, the holders of the remaining less than 50% of the shares voted will not be able to elect any person or persons as directors. Stockholders who are also officers and directors, and their families, owned 63.8% of the outstanding Common Stock as of February 28, 1965.

The By-Laws of the Company provide that all matters to be voted upon by the shareholders shall in the first instance be by a show of shareholders present in person at the meeting, each such shareholder being entitled to one vote. After any such vote, upon request by any shareholder present in person or by proxy or the chairman a poll may be required. If a poll is required it shall be taken in such manner as the chairman of the meeting shall direct and each shareholder present in person or by proxy may vote.

Liquidation Rights

On any liquidation of the Company, the holders of shares of Common Stock are entitled to share pro rata in all assets after payment of debts.

Preemptive Rights

No stockholder is entitled as a matter of right to subscribe for or receive additional shares of any class of stock of the Company, whether now or hereafter authorized, or any bonds, debentures or other securities convertible into stock, but such additional shares of stock or other securities convertible into stock may be issued or disposed of by the Board of Directors to such persons on such terms as in its discretion it shall deem advisable.

Miscellaneous

There are no rights of conversion or redemption or sinking fund provisions applicable to the Common Stock. The Common Stock offered by the terms of this Prospectus will be fully paid and non-assessable.

The Transfer Agent for the Common Stock in Winnipeg is Montreal Trust Company and in New York is The Bank of New York.

DESCRIPTION OF WARRANTS

Warrants Initially Attached to the Debentures

The Company authorized Common Stock purchase warrants (the "Debenture Warrants"), to be attached initially to the Debentures publicly offered, to purchase 105,000 shares of its Common Stock. There were attached to each $1,000 Debenture and to each $500 Debenture a Debenture Warrant for 30 shares and 15 shares of Common Stock, respectively. The Debenture Warrants are transferable by delivery and provide that the bearer may purchase Common Stock upon surrender of the Warrant at $15 (U. S.) per share on or before September 30, 1965, and at $17.50 (U. S.) per share thereafter, until September 30, 1969. Such purchase price may be payable either in cash or by tender of Debentures for cancellation, provided that no Debentures may be so tendered unless the aggregate purchase price of the Common Stock is at least equal to the principal amount of the Debentures so tendered. Debenture Warrants may be exchanged for Debenture Warrants in other denominations in multiples of five. The Debenture Warrants will become void if not exercised on or before September 30, 1969. The holder of any such Debenture Warrant will not possess any rights as a stockholder of the Company.

Various anti-dilution provisions are set forth in the Debenture Warrants (whereby the amount of cash payable by the holder of a Warrant on exercise remains fixed but the number of shares deliverable on exercise of the Warrant may vary) which provide that warrant holders under certain circumstances will be entitled to receive on exercise of their warrants additional shares of Common Stock. Reference is made to resolutions filed as an exhibit to the Registration Statement for a complete statement with respect to the warrants.

The National Association of Securities Dealers, Inc. advises that any market price quoted with respect to the Warrants after the initial public offering thereof will represent the market price of the right to purchase one share of Common Stock at the then operative warrant exercise price even though each Warrant will represent the right to purchase more than one share.

Other Warrants

In connection with the public offering referred to hereinabove, the Company issued to the Underwriter for $425.00 Common Stock purchase warrants (the "Underwriter's Warrants") to purchase 42,500 shares of its Common Stock and to Bernard D. Cahn, Esq., special counsel for the Company, for $50 such warrants to purchase 5,000 shares of its Common Stock. Such warrants are also transferable by delivery, entitled to anti-dilution provisions similar to the Debenture Warrants, and provide that the bearer may purchase Common Stock on and after September 30, 1962, upon surrender of the Warrants at a price of $16.50 (U. S.) per share until September 30, 1964, and at $18 (U. S.) per share thereafter for the life of the Warrant. The Underwriter's Warrants expire on September 30, 1966. On May 18, 1965, the Common Stock was quoted in the New York market at 7 bid, 7⅜ asked.

The Company recognizes that for the life of the warrants described above, the recipients are given the opportunity to benefit from a rise in the price of the Common Stock; that such opportunity may be considered to be at the expense of other stockholders who assume the risk of a failure of the business; that during such period the Company may be deprived of favorable opportunities to procure additional equity capital; and that at any time when the holders of such warrants might be expected to exercise them, in all likelihood the market for the Company's Common Stock would be in excess of the then existing warrant exercise price and the Company would be able to obtain equity capital by sale of a

new offering at a price in line with such higher market value. Upon the sale by the Underwriter of any shares of Common Stock received as a result of the exercise of its Warrants, the difference between the amount received and the amount paid by the recipients upon such exercise may be deemed to be an underwriting commission. Any funds received by the Company upon such exercise will be added to its general funds.

WITHHOLDING AND OTHER TAXES AND FOREIGN EXCHANGE CONTROL

The Company has been advised by its general counsel, Messrs. Cantor, Matas, Simkin, Cantor & Goltsman, that Canada has imposed withholding tax of 15% upon payment of interest on the debentures and 10% on payment of dividends to non-residents of Canada. Taxes so withheld may be taken as a credit against United States income taxes to the extent and in the manner permitted by applicable law. The withholding tax on dividends may be increased to 15% if the Company does not qualify as having a degree of Canadian ownership within the meaning of the Canada Income Tax Act. In the opinion of its general counsel, the Company is now qualified under said Act.

Under the Foreign Exchange Control Act the Government of Canada has power to exercise control over a wide range of transactions between residents and non-residents. This control was exercised until December 15, 1951, but since that time, transactions have been exempted from permit requirements theretofore in effect, and there have been no controls on the sale and purchase of foreign currency in Canada. In May of 1962 parity for the Canadian Dollar was fixed at 92.5¢ in terms of U. S. currency with fluctuations allowed of 1% up or down as provided for in the agreement between Canada and the International Monetary Fund. While it is possible that controls on the sale and purchase of foreign currency in Canada may be reimposed, the Company is not aware of any intention to do so.

The Company has been advised by American counsel that under Section 4911, Chapter 41, subchapter (2) of the Internal Revenue Code, there has been imposed on each acquisition by a United States person (as defined therein) of stock of a foreign issuer, a tax in the amount of 15% of the actual value of the stock. By executive order 11175, dated September 4, 1964, issued by the President of the United States, it was determined that the tax imposed by Section 4911 referred to above, shall not apply to the acquisition by a United States person of stock of any corporation (with certain specified exceptions not applicable here) organized under the laws of Canada, or any individual resident in Canada, to the extent that such stock is acquired as all or part of an original or new issue as to which there is filed the notice of acquisition prescribed by the Secretary of the Treasury or his delegate. Hence, the exercise of any of the Warrants referred to herein will not subject the purchaser to a tax upon acquisition of the stock subject thereto, if such purchaser files the necessary notice of acquisition as described above. The purchase of the Company's Common shares or warrants by a resident of the United States from a non-resident is subject to the above-described tax; but such purchase by one resident of the United States from another is not subject to such tax.

MANAGEMENT AND STOCKHOLDERS

Directors and Executive Officers

The directors and executive officers of the Company are as follows:

Name	Position
Saul Simkin	President, Chairman of the Board, Chief Executive Officer and Director
I. B. Simkin	Vice President and Director

Name	Position
A. L. Simkin	Vice President and Director
D. D. Tallman	Vice President and Director
J. L. Bodie	Vice President and Director
R. J. Turner	Treasurer and Director
Walter Atkinson	Secretary
Cecil Goldin	Director
R. J. Matas	Director
S. M. Beringer	Director
M. A. Domecki	Director
Edward Rosenblat	Director

Mr. Saul Simkin was founder of and has been the head of the Simkin enterprises since 1948. Mr. I. B. Simkin has been associated with such enterprises as an executive officer since founding Mr. A. L. Simkin has been a member of the Winnipeg bar since 1946 and general counsel of the Company for more than 10 years. He is a member of the firm of Messrs. Cantor, Matas, Simkin, Cantor & Goltsman.

Mr. D. D. Tallman was one of the principal executive officers of the Tallman enterprises for more than 10 years prior to July, 1961, and has been Vice President and Director of the Company since then.

Mr. J. L. Bodie has been associated with the Company since 1962. Prior to that time, he was General Manager for the Alberta division of Dominion Bridge Co. Ltd. for more than five years.

Mr. R. J. Turner has been associated with the Company as an officer since 1962. Prior to that time, he was associated with and an executive of Dominion Bridge Co. Ltd. for more than five years.

Mr. Walter Atkinson has been an officer of the Company since 1958.

Remuneration

The aggregate remuneration paid by the Company during the fiscal year ended February 28, 1965 to each director and each officer of the Company, whose aggregate remuneration exceeded $30,000, and to all such directors and officers as a group, was as follows:

Name	Capacity in which Remuneration was Received	Aggregate Remuneration	Estimated annual benefits upon Retirement
Saul Simkin	President and Director	$ 50,000	$6,622
I. B. Simkin	Vice President and Director	40,000	5,824
A. L. Simkin*	Vice President and Director	25,000	9,561
D. D. Tallman	Vice President and Director	40,000	7,647
All directors and officers as a group		289,359	

* Mr. A. L. Simkin is a member of the law firm of Messrs. Cantor, Matas, Simkin, Cantor & Goltsman, which received legal fees in the aggregate amount of $56,872 during the fiscal year. In addition, Mr. A. L. Simkin and Mr. R. J. Matas, directors of the Company, each has a 50% interest in a real estate management company which renders service to the Company and which received in the aggregate $53,687 during the last fiscal year. A substantial part of such fees resulted from services rendered in connection with the sale of the Company's cement plant described elsewhere herein.

Principal Stockholders

The following table sets forth the number of shares owned of record and beneficially by each stockholder known to the Company to own more than 10% of the outstanding Common Shares as of February 28, 1965:

Name	Number of Shares	Percentage
Saul Simkin	288,259(1)	28.1
I. B. Simkin	39,295(2)	3.8
A. L. Simkin	21,137(3)	2.1
D. D. Tallman	18,548	1.8
All officers and directors as a Group	634,351(4)	61.9

(1) Does not include 8,650 shares held beneficially by the wife and children of Saul Simkin.

(2) Does not include 105,000 shares held beneficially by the wife and children of I. B. Simkin.

(3) Does not include 106,176 shares held beneficially by the wife and children of A. L. Simkin.

(4) Includes shares held beneficially by the wives and children of the respective officers and directors.

The Company is informed that none of the officers or directors owns any of the Underwriter's Warrants, and that the officers and directors as a group are, directly or indirectly, the owners of 5,140 Debenture Warrants. Such Debenture Warrants are bearer warrants, and the Company has no information as to whether any person (other than an officer or director) owns 10% or more of such Warrants. No officer or director owns 10% or more of such Warrants.

Selling Warrant Holders

The Company is advised by or on behalf of the holders thereof, that the following are the sellers of the Underwriter's Warrants offered hereunder:

Name	Number of Warrant-Shares
Albert F. Beringer	14,717
Elizabeth M. Beringer	577
Stuart M. Beringer	7,629
Stuart M. Beringer as Trustee for Stuart Stratton Beringer	1,600
Stuart M. Beringer as Trustee for Peter Marshall Beringer	1,600
Clarence E. Hale	1,730
Laurence M. Symmes	1,818
Mrs. Dorothy Symmes	125
Bruce M. Beringer	2,026
Mrs. Marie M. Beringer	200
Bruce M. Beringer as Trustee for Elizabeth Beringer	150
Bruce M. Beringer as Trustee for Albert F. Beringer II	150
Frederick W. Herreilers	463
Edmund J. Blake, Jr.	900
Richard Howe	825
John W. Hurley	700
Frederick A. Schulte, Jr.	428
Edward J. Wood, Sr.	780
Robert W. Cease	375
Mrs. Marie S. Fryer	341
Herbert H. Wolke	355
Robert W. Kuebl	274
Kenneth C. Lewis	380
Thomas C. Darrie	300
William D. Lowe	140
Robert J. Dennis	140
Roland H. Douglass	62
George V. Mendall	50
Robert T. Scott	5
Frederick Snare III	818
Edward J. Wood, Jr.	15
David Cuming	250
Joseph Ochanski	200
P. W. Brooks & Co. Incorporated Salaried Employees Deferred Profit Sharing Plan	837
P. W. Brooks & Co. Incorporated	40
Bernard D. Cahn	6,500

TRANSACTIONS WITH OFFICERS, DIRECTORS AND PRINCIPAL STOCKHOLDERS

In the past three years the Company has engaged in the following transactions with officers, directors and principal stockholders:

Materials aggregating approximately $120,000 and services aggregating approximately $40,000 were sold, at regular customers' prices, to a shopping center owned by Messrs. S., I. B., and A. L., Simkin, and members of their families. The materials and services were performed for a contractor who, in turn, subcontracted part of the work to the Company. The Company also sold, at regular customers' prices, approximately $35,000 of building materials to a commercial development in which D. D. Tallman owns an interest not exceeding 10%; and approximately $40,000 of building materials to a group of apartment buildings in which Edward Rosenblat and members of his family have a majority interest.

The Company undertook, at cost (as computed in the manner usual in this industry), plus 5%, a contract aggregating approximately $800,000 for construction of a building in which M. A. Domecki has the majority interest; and is undertaking, for a corporation in which Mr. Domecki has a small minority interest, a building construction project aggregating approximately $3 million, at cost (computed as mentioned above), plus 6%. Messrs. R. J. Matas and A. L. Simkin are the owners of a minority interest (not exceeding 15% in the aggregate) in an enterprise which has contracted with the Company for the construction of a group of buildings aggregating approximately $4 million. These contracts have been let on a "cost-plus" basis and are for the construction of two hotels and three senior citizen housing projects in various cities between Toronto, Ontario, and Kamloops, British Columbia. It is the general policy of the Company not to invest its funds in minority interests in commercial buildings and similar real estate projects, but it has permitted officers and other employees to do so, as a means of stimulating its business in materials.

Stuart M. Beringer, a director of the Company, is an officer and director of P. W. Brooks & Co. Incorporated, which assisted in the placement during the year 1964 with The Prudential Insurance Company of America of the $8,000,000 (U.S.) of 6¼% Term Notes due 1979 referred to hereinabove; and received a fee of $100,000 (U.S.) for such services.

P. W. Brooks & Co., Incorporated, also served as Principal Underwriters in connection with the Company's 1961 public offering of $3,500,000 of its Debentures due 1981, with detachable 8-year Common Stock Purchase Warrants exercisable as to 105,000 shares of Common Stock.

In connection with the foregoing offering, the Company sold to P. W. Brooks & Co. Incorporated, the Underwriter's Warrants described hereinabove, exercisable with respect to an aggregate of 42,500 shares of Common Stock. See "Description of Warrants".

The Purchase Contract relative to the above described securities provided that for a period of 7 years from the date of the closing under the Purchase Contract, (i) P. W. Brooks & Co. Incorporated shall have a first call upon the purchase or distribution of any securities which may from time to time be offered for sale to the public by the Company or any subsidiary on a basis of price and terms not less favorable to the Company or such subsidiary than may be offered by any other party; and (ii) the Company would use its best efforts to cause to be elected, upon the request of P. W. Brooks & Co. Incorporated, two persons of the latter's selection as members of the Board of Directors of the Company. Pursuant thereto, S. M. Beringer has been elected to the Board of Directors of the Company.

EXPERTS

The financial statements of British-American Construction & Materials Limited and subsidiaries included in this Prospectus have been examined by Ernst & Ernst, chartered accountants, to the extent indicated in their report included herein. Such statements are set forth herein and in the Registration Statement in reliance upon the report of said firm given upon their authority as experts in accounting and auditing.

LEGAL OPINIONS

The legality of the securities publicly offered were passed on for the Company by Messrs. Cantor, Matas, Simkin, Cantor & Goltsman, 200 Birks Building, 297 Smith Street, Winnipeg, Manitoba, Canada, general counsel to the Company. Mr. A. L. Simkin, a member of the firm of Messrs. Cantor, Matas, Simkin, Cantor & Goltsman, is an officer and director of the Company. Mr. R. J. Matas, also a director of the Company, is a member of the firm of Messrs. Cantor, Matas, Simkin, Cantor & Goltsman. The Company has been represented by Bernard D. Cahn, Esq., 70 Pine Street, New York, N. Y. 10005, in matters relative to the Securities Act and registration of securities thereunder. Mr. Cahn is the holder of certain Underwriter's Warrants offered hereunder.

REPORT OF INDEPENDENT CHARTERED ACCOUNTANTS

Board of Directors
British-American Construction & Materials Limited

We have examined the consolidated balance sheet of British-American Construction & Materials Limited and subsidiaries as of February 28, 1965, and the related statements of income and retained earnings for the four years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and retained earnings present fairly the consolidated financial position of British-American Construction & Materials Limited and subsidiaries at February 28, 1965, and the consolidated results of their operations for the four years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

ERNST & ERNST

Winnipeg, Canada
April 26, 1965

BRITISH-AMERICAN CONSTRUCTION & MATERIALS LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(Canadian Dollars)

February 28, 1965

ASSETS

Current Assets	
Cash	$ 122,291
Government of Canada bonds—at cost (approximate market)	18,322
Accounts receivable—Note B:	
Trade	7,802,989
Installments of accounts due after one year	367,831
Less allowances for doubtful accounts	(182,089)
	7,988,731
Tender deposits	74,530
Inventories—Notes B and C:	
Land held for development and sale	5,131,349
Construction contracts in process	1,689,314
Materials and supplies	2,040,085
	8,860,748
Equity in joint venture construction contracts	12,781
Prepaid expenses and other accounts	86,363
Total Current Assets	17,163,766
Other Assets	
Deferred municipal accounts, less current installments	194,864
Investments, miscellaneous receivables, and deposits	478,360
6% loan receivable, due in annual installments of $187,500 commencing July 16, 1965, less current installment—Note E	1,312,500
	1,985,724
Property, Plant, and Equipment—at cost—Notes B and D	17,373,585
Less allowances for depletion and depreciation	7,851,823
	9,521,762
Deferred Charges	
Unamortized discount and expense on long-term debt—Note L	266,167
	$28,937,419

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities	
Bank advances—Note B	$ 4,520,510
Accounts payable	3,234,157
Accrued expenses	192,811
Income taxes	182,032
Mortgages on land held for development and sale—Note B	508,053
Installments of long-term debt—Note F	508,040
Total Current Liabilities	9,145,603
Long-Term Debt—Notes B, E, and F	7,592,460
Deferred Income Taxes—Note G	2,029,098
Stockholders' Equity	
Capital stock—$5.00 par value—Note H:	
Authorized—2,000,000 shares	
Issued —1,024,212 shares	5,121,060
Contributed capital—Note A	176,507
Retained earnings—Notes E and F	4,872,691
	10,170,258
Contingent Liabilities—Note J	
	$28,937,419

See notes to financial statements.

BRITISH-AMERICAN CONSTRUCTION & MATERIALS LIMITED AND SUBSIDIARIES

STATEMENT OF CONSOLIDATED RETAINED EARNINGS
(Canadian Dollars)

	Year ended February 28 or 29			
	1962	1963	1964	1965
Balance at beginning of period	$ 32,836	$1,558,669	$1,391,114	$2,073,398
Add:				
Net income	1,668,338	61,904	842,684	580,606
Special gain, on disposition of the property and assets belonging to or used in connection with a cement plant under construction, less sundry nonrecurring charges—Note E				2,477,416
	1,701,174	1,620,573	2,233,798	5,131,420
Deduct cash dividends paid (on shares other than shares owned by certain stockholders who waived their rights to dividends until September 30, 1964 and with respect to four quarterly dividends during the year 1965) $.45 U.S., $.69 U.S., $.48 U.S., and $.48 U.S. per share	142,505	229,459	160,400	258,729
BALANCE AT END OF PERIOD—Notes E and F	$1,558,669	$1,391,114	$2,073,398	$4,872,691

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

February 28, 1965

NOTE A—Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its subsidiary companies, which are wholly-owned Canadian corporations operating in Canada. Intercompany investments, accounts, and transactions have been eliminated in consolidation.

The 1,024,212 shares of Capital Stock of the Company presently outstanding were issued during the year ended February 28, 1962. Of these, 1,000,000 shares were issued in exchange for the capital stocks of certain companies under agreements relating to a pooling of interests effective February 28, 1961. The balance of 24,212 shares was issued as part of the purchase cost of the capital stocks of certain other companies and the net assets of a partnership, whose operations have been included in the statement of income from their respective dates of acquisition. Contributed capital amounting to $176,507 represents the excess of the aggregate consideration received for the 24,212 shares thus issued over the par value of such shares.

All statements are shown in Canadian dollars; at February 28, 1965, $1.00 Canadian was approximately equivalent to $.93 United States.

Profits and losses from joint-venture construction contracts have been recognized generally on a percentage-of-completion basis, and the equity set forth in the accompanying balance sheets has been determined from the latest available financial statements of the joint-ventures.

At February 28, 1965, the Company's equity in the net assets of its subsidiaries exceeded its aggregate investment therein by $4,387,975 which has been credited to retained earnings in consolidation.

NOTE B—Assets Subject to Lien

Bank advances are secured by a general assignment of book debts and inventories other than inventories of land held for development and sale.

Certain land held for development and sale is subject to real estate mortgages classified as current liabilities, or pledged as partial security for the 6¼% Note described in Note E.

In addition, certain items of property, plant, and equipment are subject to mortgages or equipment purchase contracts classified as long-term debt.

NOTE C—Inventories

The inventory of land held for development and sale represents the cost of raw land plus the cost of improvements thereon. Construction contracts in process represents accumulated costs less the estimated costs of such portions of the contracts as have been billed to customers. Billings on such contracts are generally made on the basis of progress estimates approved by customers, and the inventory of construction contracts in process is relieved of the estimated cost of the work billed. Inventories of materials, consisting principally of sand and gravel, concrete pipe, and concrete blocks are priced at the lower of first-in, first-out cost or market. Supplies, consisting principally of repair parts for construction equipment, are priced at average purchase costs.

NOTE C—Inventories—(Continued)

The amounts for inventories used in the computation of cost of sales determined on the bases described above were as follows:

February 28, 1961	$2,604,674
February 28, 1962	4,294,676
February 28, 1963	6,030,505
February 29, 1964	6,920,960
February 28, 1965	8,860,748

NOTE D—Property, Plant, and Equipment

The major classifications of property, plant, and equipment are as follows:

Land and gravel deposits	$ 1,277,481
Buildings	2,287,313
Machinery and equipment	13,588,514
Spur track and yard improvements	220,277
	$17,373,585

Depletion of gravel deposits was computed on the basis of yards removed in relation to the total available as estimated by the Company.

The allowances for depreciation were based on the straight-line method at annual rates calculated to amortize the cost over the estimated useful lives of the depreciable assets. The principal rates used were as follows: buildings—2½% and 5%; machinery and equipment—10% and 15%; spur tracks and yard improvements—2%.

Expenditures for maintenance and repairs were charged to income as incurred, and major purchases and betterments were added to the applicable property or equipment accounts. The carrying amounts of assets sold or otherwise retired during the period and the related allowances for depreciation were eliminated from the accounts, and the resulting gains or losses were reflected in the income statement.

NOTE E—6¼% Note Due March 1, 1979

The Company, under the terms of an agreement dated January 31, 1964, issued a promissory note in the amount of $8,000,000 U.S. for funds borrowed in connection with the construction of a cement plant. Although the funds were committed for completion of the cement plant, at February 29, 1964, the entire proceeds of the note had been advanced to the Company, and temporarily used principally to repay bank loans. Subsequent to February 29, 1964, the Company, through one of its subsidiaries, sold the property and assets belonging to or used in connection with the cement plant under construction (for further information reference is made to the last paragraph of page 8 of this Prospectus), and made a payment on the note in the amount of $4,000,000 U.S., leaving a balance due of $4,000,000 U.S. at February 28, 1965. Mandatory payments of $300,000 U.S. commence March 1, 1967 and supplemental prepayments calculated on the basis of sales of land held for development and sale by the Company or its subsidiaries commence March 1, 1965.

Certain property in the Winnipeg area and certain land held for development and sale have been pledged as security for the note. The note agreement requires the Company to maintain consolidated net current assets in excess of $5,500,000 Canadian and imposes restrictions on repurchases of the 6% Sinking Fund Debentures (in excess of the payments required under the related Indenture) and on the payment of dividends. Consolidated retained earnings unrestricted as of February 28, 1965 approximated $259,000.

NOTES TO FINANCIAL STATEMENTS—(Continued)

NOTE F—Long-Term Debt

The long-term debt and required payments thereon are summarized as follows:

6% Sinking Fund Debentures due August 1, 1981. Outstanding $2,875,000 U.S. Annual sinking fund payments of $100,000 U.S. increasing to $225,000 U.S. dependent on earnings are due each May 31. Repurchased debentures deposited with the Trustee have satisfied anticipated sinking fund requirements to May 31, 1965. The cost of acquisition of debentures to satisfy sinking fund requirements has not been in excess of the principal amount of such debentures, reflected in Canadian dollars in the balance sheets	$2,868,819
6¼% Note, due March 1, 1979, (see Note E). Outstanding $4,000,000 U.S., less approximate amount due within one year ($88,500) classified as a current liability	4,230,250
Equipment purchase contracts, with interest at 6%, less approximate principal amount due within one year of $404,540 classified as current liability	213,060
Other long-term debt (note and mortgages), less approximate amounts due within one year, classified as a current liability	280,331
	$7,592,460

In accordance with the terms of the Indenture and First Supplemental Indenture dated August 1, 1961 with respect to the 6% Sinking Fund Debentures, the Company has agreed: (i) to maintain consolidated net current assets in excess of $750,000 and (ii) to restrict payments of cash dividends to a maximum of 75% of consolidated net income earned after March 1, 1961. Retained earnings of approximately $1,550,000 were free of these restrictions at February 28, 1965; see Note E for restrictions imposed by the 6¼% Note.

The aggregate annual long-term debt maturities, including the minimum annual sinking fund payment, during each of the years ending February 28, 1966 through February 28, 1970, are as follows: 1966—$508,040; 1967—$628,060; 1968 to 1970 inclusive—$415,000.

NOTE G—Deferred Income Taxes

Depreciation of plant and equipment has been provided by the straight-line method for accounting purposes and has been claimed in greater amount in accordance with the declining balance method for income tax purposes. The reductions in income taxes currently payable have been deferred to subsequent periods when depreciation recorded in the accounts may exceed the amount available for tax purposes. In addition, the amount stated for deferred income taxes includes provisions for income taxes payable in future periods on income subject to performance and other holdbacks deferred for tax purposes.

The laws of Canada and its Provinces do not recognize consolidated income as the basis for taxation, and the provisions for income taxes have been based on the earnings of the individual companies.

NOTE H—Stock Purchase Warrants

At February 28, 1965, outstanding stock purchase warrants entitle the holders thereof to purchase 152,500 unissued shares of the authorized Capital Stock as follows: (i) 105,000 shares at $15.00 U.S. each on or before September 30, 1965, and at $17.50 U.S. each thereafter until September 30, 1969, when the warrants expire; and (ii) 47,500 shares at $18.00 U.S. each until September 30, 1966, when the warrants expire.

BRITISH-AMERICAN CONSTRUCTION & MATERIALS LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS—(Continued)

NOTE I—Pension and Retirement Plan

During the year ended February 28, 1963 the Company established a contributory pension plan providing retirement benefits for employees of the Company and its subsidiaries. Contributions to the plan by the Company were as follows: year ended February 28, 1963—$16,764; year ended February 29, 1964—$24,087; and year ended February 28, 1965—$25,477.

NOTE J—Contingent Liabilities

The Company, in the ordinary course of business, enters into contracts under which the Company may incur contingent liabilities of indeterminate amounts in respect of normal commitments for performance of covenants in such contracts.

NOTE K—Supplementary Profit and Loss Information

No significant royalties, rents, or management service contract fees have been incurred. Depletion and depreciation, which are not allocated in the accounts, are shown as a separate item in the statement of income. Maintenance and repairs, and taxes other than income taxes, charged to income, were as follows:

	Charged to		
	Cost of Sales	Selling, Administrative, and General Expense	Total
Maintenance and repairs:			
Year ended:			
February 28, 1962	$1,327,249	$174,602	$1,501,851
February 28, 1963	2,300,246	24,745	2,324,991
February 29, 1964	2,750,818	10,335	2,761,153
February 28, 1965	4,034,729	13,458	4,048,187
Pay roll taxes:			
Year ended:			
February 28, 1962	55,183		55,183
February 28, 1963	43,010		43,010
February 29, 1964	46,929		46,929
February 28, 1965	57,055		57,055
Mining taxes:			
Year ended:			
February 28, 1962	17,090		17,090
February 28, 1963	37,539		37,539
February 29, 1964	52,129		52,129
February 28, 1965	145,896		145,896
Property taxes:			
Year ended:			
February 28, 1962	63,343	15,237	78,580
February 28, 1963	79,693	22,577	102,270
February 29, 1964	79,875	20,817	100,692
February 28, 1965	85,041	19,072	104,113

NOTE L—Unamortized Discount and Expense on Long-Term Debt

Unamortized discount and expense on long-term debt relates to the 6% Sinking Fund Debentures and is being amortized over the term of those debentures. The unamortized portion applicable to repurchased debentures is written off at the time of repurchase.

Note M—Remuneration of Officers and Directors

See Remuneration on page 18 of this Prospectus for information regarding payments for the fiscal year ended February 28, 1965.

No dealer, salesman, or any other person has been authorized to give any information or to make any representations, other than as contained in this Prospectus, in connection with the offer contained in this Prospectus, and if given or made, such information or representations must not be relied upon as having been authorized. This Prospectus does not constitute an offer by any underwriter to sell the securities in any state to any person to whom such underwriter may not lawfully make such offer in such state.

REGISTRATION STATEMENT

British-American Construction & Materials Limited has filed with the Securities and Exchange Commission, Washington, D. C., a Registration Statement and a post-effective Amendment thereto, with respect to the within described offering.

This Prospectus omits certain information contained in the Registration Statement. Such information may be obtained from the Commission's principal office in Washington, D. C., upon payment of the fee prescribed by the rules and regulations of the Commission, or examined there without charge.

The statements in this Prospectus are made as of the date hereof unless another time is specified. Neither the delivery of this Prospectus nor any sale made thereunder shall under any circumstances create an implication that there has been no change in the affairs of the Company since the date hereof.

British-American Construction & Materials Limited

COMMON STOCK PURCHASE WARRANTS

for

152,500 Shares Common Stock

($5 Par Value)

PROSPECTUS

Dated May 24, 1965

BRITISH-AMERICAN CONSTRUCTION & MATERIALS LIMITED

DISTRIBUTION OF CAPITAL STOCK AS OF MAY 14, 1965

686	Holders of	1	—	99	share lots	......	26,914
474	" "	100	—	199	" "	......	52,129
179	" "	200	—	299	" "	......	38,912
66	" "	300	—	399	" "	......	20,817
45	" "	400	—	499	" "	......	18,996
79	" "	500	—	999	" "	......	48,248
66	" "	1000	—	up	" "		818,196
1,595	Shareholders					Total Shares	1,024,212

Name of Subsidiary	Date of Incorporation	Manner of Incorporation	Nature of Business	Authorized Capital	Number of Shares Issued	Percentage of Voting Stock Owned
B.A.C.M. Limited	March 31, 1965	Letters Patent Province of Manitoba	Construction, Manufacturing, Building Supplies	$200,000 200,000 common shs. no par value	45,790	100%
Tallcrete Ltd.	April 8, 1961	Letters Patent Province of Manitoba	Building Supplies	$100,000 25,000 common $1.00 par value 750—6% preferred $100.00 par value	5 common shs.	100%
Westminster Agencies Limited	June 29, 1961	Letters Patent Province of Manitoba	Insurance Agency	$20,000 20,000 shares $1.00 par value	1,000	100%
Universal Construction Co. Ltd.	March 16, 1954	Memorandum & Articles of Association Province of Alberta	Construction	$20,000 20,000 shares $1.00 par value	500 shares	100%
Universal Builders Supplies Ltd.	April 3, 1957	Memorandum & Articles of Association Province of Alberta	Building Supplies	$20,000 18,000 type A non-voting shs. $1.00 par value 2,000 type B voting shares $1.00 par value	500 Type "B"	100%
Universal Millwork Ltd.	August 11, 1959	Memorandum & Articles of Association Province of Alberta	Building Supplies	$20,000 18,000 type A non-voting shs. 2,000 type B voting shares	100 Type "B"	100%

THIS IS SCHEDULE "A" REFERRED TO IN APPLICATION OF BRITISH-AMERICAN CONSTRUCTION & MATERIALS LIMITED DATED MAY 25TH, 1965, TO THE TORONTO STOCK EXCHANGE

Name of Subsidiary	Date of Incorporation	Manner of Incorporation	Nature of Business	Authorized Capital	Number of Shares Issued	Percentage of Voting Stock Owned
Universal Construction (B.C.) Ltd.	May 24, 1960	Memorandum & Articles of Association Province of British Columbia	Construction	$50,000 5,000 common shs. $1.00 par value 45,000 preferred shares $1.00 par value	100 common shs.	100%
Moore's Coal and Supply Ltd. (1)	August 11, 1959	Letters Patent Province of Manitoba	Fuel Company	$100,000 750 preferred $100.00 par value 25,000 common no par value	1000 common shs. 100 Pfd. shs.	100%
Unalta Construction Limited (2)	June 6, 1963	Letters Patent Province of Ontario	Construction	$40,000 3,000 preferred $10.00 par value 10,000 common $1.00 par value	30 common shs.	100%
Athabasca Building Supplies Ltd. (3)	May 11, 1964	Memorandum & Articles of Association Province of Alberta	Building Supplies	20,000 no par value shares not to exceed in aggregate $20,000	500 shs.	100%
B-A Construction Ltd. (1)	March 31, 1965	Letters Patent Province of Manitoba	Construction	$20,000 20,000 common shares $1.00 par value	5 common shs.	100%
Contractors' Equipment & Supply (1965) Ltd. (1)	March 31, 1965	Letters Patent Province of Manitoba	Servicing Equipment	$20,000 20,000 common shares $1.00 par value	5 common shs.	100%
Tallman Gravel and Sand Supply (1965) Ltd. (1)	March 31, 1965	Letters Patent Province of Manitoba	Building Supplies	$20,000 20,000 common $1.00 par value	3 common shs.	100%

(1) 100% of the stock is owned by B.A.C.M. Limited.
(2) 100% of the stock is owned by Universal Construction Co. Ltd.
(3) 100% of the stock is owned by Universal Builders Supplies Ltd.